



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

December 12, 2006

Larry Neff
Neffco Mining, Manufacturing, and Engineering
3477 Big Cottonwood Canyon Road
Salt Lake City, Utah 84121

Subject: Permit to Commence Small Mining Operations, Neffco Mining and Manufacturing, Yerian Mine, M0470087, Task 1547, Uintah County, Utah

Dear Mr. Neff:

The Division finds your notice of intention (Notice) complete and approves the reclamation surety for the Yerian Mine. You are now permitted to conduct small mining operations as outlined in the Notice provided you have written approval from the Uintah County and any other appropriate agency.

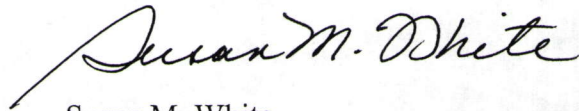
Please keep in mind the following condition and regulatory requirements.

- The excavated active mining area may not exceed one acre at any time. Before continuing mining beyond each one-acre area, you must (1) submit photos documenting the reclamation grading work that has been done; (2) receive the Division's approval to continue into the next area; and (3) submit a map or drawing showing the progression of mining operations.
- The Division must be notified no later than 30 days after beginning mining operations.
- Mining disturbance is only allowed in the area identified in the Notice and Reclamation Contract.
- Stockpiling topsoil material prior to beginning activities will help ensure successful revegetation. Even the first few inches of undeveloped material are worth saving to aid in later revegetation efforts, and future regulatory surety release.
- If you encounter any archaeological or historical items, you are asked to notify this office and State History of your find.
- Permit fees are due July 30.
- Annual reports are due by December 31st.
- The reclamation surety will be reviewed every 3 years.
- The Division request that the disturbed area boundary (including assess/haul roads) be marked with metal T-posts to identify the area permitted for mining.

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The Division's web page at <http://ogm.utah.gov/> under the Mining Program has a link to the rules you are expected to operate under and other information to assist you in complying with program requirements. Thank you for your cooperation. In reply, please refer to file number M0470087. If you have questions or concerns regarding this letter, please contact me at (801) 538-5258 or Paul Baker at 538-261. Best wishes with your mining venture.

Sincerely,

A handwritten signature in cursive script that reads "Susan M. White". The signature is written in dark ink and is positioned above the printed name and title.

Susan M. White
Mine Program Coordinator
Minerals Regulatory Program

SMW:PBB:pb
Attachment: SMO summary
Enclosure: Copy of RC & surety forms
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